





Vol. 35 No. 8

# **Agriculture Across Michigan**

August 2014

# **Farm Production Expenditures Continue to Climb**

United States Total Farm Production Expenditures were \$367.3 billion in 2013, up from \$360.1 billion in 2012. The 2013 Total Expenditures are up 2.0 percent compared with 2012 Total farm production expenditures. Nearly all expenditure items increased from the previous year.

The four largest expenditure categories at the United States level totaled \$167.6 billion and accounted for 45.6 percent of Total Expenditures in 2013. They were: Feed, 17.0 percent, Farm Services, 10.6 percent, Livestock, Poultry and Related Expenses, 9.3 percent, and Labor, 8.7 percent.

Total fuel expense was \$16.4 billion. Diesel, the largest sub-component, was \$10.9 billion, accounting for 66.5 percent. Diesel expenditures were up 4.8 percent from the previous year. Gasoline was \$3.0 billion, down 3.2 percent. LP gas was \$1.8 billion, up 25.7 percent. Other fuel was \$740 million, up 5.7 percent.

In 2013, the United States Total Farm Expenditure average per farm was \$175,270 compared with \$171,309 in 2012, up 2.3 percent. On average, United States farm operations spent: \$29,779 on Feed, \$18,612 on Farm Services, \$16,321 on Livestock, Poultry and Related Expenses, and \$15,271 on Labor. For 2012, United States farms spent an average of: \$28,781 on Feed, \$19,552 on

Farm Services, \$15,937 on Livestock, Poultry, and Related Expenses, \$15,128 on Labor.

The United States Economic Sales Class contributing most to the 2013 United States Total Expenditures was the \$1,000,000 - \$4,999,999 class, with expenses of \$132.1 billion, (36.0 percent of the United States total), up 4.1 percent from the 2012 level of \$127.0 billion. It was followed by the \$5,000,000 and over class with \$79.0 billion, up from \$74.0 billion in 2012.

The Midwest region, which includes Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Ohio, and Wisconsin, contributed the most to United States Total Expenditures with expenses of \$118.5 billion (32.3 percent), up from \$114.8 billion in 2012. The other regions ranked by Total Expenditures were: Plains at \$87.6 billion (23.9 percent), West at \$76.9 billion (21.0 percent), Atlantic at \$45.5 billion (12.4 percent), and South at \$38.8 billion (10.6 percent). The Midwest increased \$3.7 billion from 2012, which is the largest regional increase in dollars.

For further information on USDA farm expenditures, please visit

http://www.nass.usda.gov/Statistics\_by\_Subject/index.php

### **Farm Real Estate Values and Cash Rents**

The January 1, 2014 Michigan farm real estate value, including land and buildings, averaged \$4,700 per acre.

Farm real estate values were up 9.3 percent from 2013. Michigan is in the Lake States region, which also includes Minnesota and Wisconsin. The Lakes States region value was \$4,640 per acre, up 9.4 percent from 2013. The value of farmland in States bordering Michigan was: Wisconsin, \$4,400 per acre; Ohio, \$5,550 per acre; and Indiana, \$6,950 per acre.

Michigan's cropland value increased 9.2 percent from the previous year to \$4,500 per acre. The Lake States region saw a 10.1 percent increase to \$4,670 per acre. The average value of cropland in the U.S. increased 7.6 percent to a value of \$4,100 per acre. Michigan's pasture value increased 3.3 from last year at \$2,500 per acre.

Michigan's cropland cash rent was \$123.00 per acre in 2014, up 4.2 percent from the previous year. Cropland cash rents in the Lake States region increased \$6.00 from last year to \$161.00 per acre. The cropland cash rents in the States bordering Michigan was: Wisconsin, \$135.00 per acre; Ohio, \$144.00 per acre; and Indiana, \$195.00 per acre.

Pasture cash rents in the Lake States region decreased 6.6 percent to \$28.50 per acre. Pasture cash rent in Michigan was \$30.00 per acre.

## **Dry Bean Production**

Michigan's 2014 dry bean production is estimated at 4.14 million cwt, up from 3.27 million cwt in 2013. The average yield is 2,000 pounds per acre, up 100 pounds from last year. For the week including August 1, 75

percent of the crop was reported to be in good to excellent condition.

# **August 1 Crop Forecast**

Growers are looking at increased production of corn and soybeans compared to last year. This report is based on current conditions, as of August 1, 2014. Some highlights of the Crop Production Report follow:

- Michigan corn producers expect a yield of 161 bushels per acre, up 6 bushels from the previous year.
- Soybean production in the State is expected to total 100.76 million bushels, up 21 percent from a year
- earlier. The yield is forecast at 44 bushels per acre, unchanged from 2013.
- Sugarbeet growers estimate a yield of 26.5 tons per acre, up 0.3 tons from last year.
- Winter wheat, in Michigan, is expected to total 37.23 million bushels. The yield is forecast at 73 bushels, down 2 bushels from last year.
- Producers of dry beans are expecting their crop to yield 2,000 pounds per acre, up 100 pounds from last year.

#### Acres by Crop, Michigan and United States: 2012-2014

Commodity	Michigan			United States			
Commodity	2012	2013	2014	2012	2013	2014	
Beans, dry							
Planted1,000 acres	200	175	210	1,743	1,355	1,672	
Harvested1,000 acres	197	172	207	1,690	1,311	1,610	
Yield Pounds	1,790	1,900	2,000	1,889.0	1,867.0	1,784.0	
Production1,000 cwt	3,526	3,270	4,140	31,925	24,486	28,714	
Corn, all							
Planted1,000 acres	2,650	2,600	2,550	97,155	95,365	91,641	
Corn, grain							
Harvested1,000 acres	2,390	2,250	2,240	87,375	87,668	83,839	
YieldBushels	133	155	161	123.4	158.8	167.4	
Production1,000 bu	317,870	348,750	360,640	10,780,296	13,925,147	14,031,915	
Hay, alfalfa							
Harvested1,000 acres	660	610	640	17,292	17,763	18,190	
Yield Tons	2.10	3.10	3.30	3.01	3.24	3.50	
Production1,000 tons	1,386	1,891	2,112	52,049	57,581	63,634	
Hay, other							
Harvested1,000 acres	310	330	330	38,968	40,494	39,456	
Yield Tons	1.50	1.90	2.20	1.74	1.94	1.96	
Production1,000 tons	465	627	726	67,829	78,365	77,197	
Oats							
Planted1,000 acres	50	50	60	2,760	3,010	3,027	
Harvested1,000 acres	35	35	45	1,045	1,030	1,153	
YieldBushels	60	62	67	61.3	64.0	67.0	
Production1,000 bu	2,100	2,170	3,015	64,024	65,879	77,267	
Soybeans							
Planted1,000 acres	2,000	1,900	2,300	77,198	76,533	84,839	
Harvested1,000 acres	1,990	1,890	2,290	76,164	75,869	84,058	
YieldBushels	43.0	44.0	44.0	39.8	43.3	45.4	
Production1,000 bu	85,570	83,160	100,760	3,033,581	3,288,833	3,815,679	
Sugarbeets							
Planted1,000 acres	154	154	151	1,230	1,198	1,162	
Harvested1,000 acres	153	153	150	1,204	1,154	1,141	
Yield Tons	29.0	26.2	26.5	29.3	28.4	26.4	
Production1,000 tons	4,437	4,009	3,975	35,224	32,813	30,122	
Wheat, winter							
Planted1,000 acres	570	630	580	41,224	43,090	42,296	
Harvested1,000 acres	540	600	510	34,734	32,402	32,419	
YieldBushels	76	75	73	47.3	47.4	43.1	
Production1,000 bu	41,040	45,000	37,230	1,641,272	1,534,253	1,396,742	

# **Chickens and Eggs**

All layers in Michigan totaled 13.0 million during June, up 2 percent from a year ago. Egg production totaled 312 million eggs, up 3 percent from last year. The rate of lay during June was 2,408 eggs per 100 layers. On July 1 in the East North Central Region, which includes Michigan, Illinois, Indiana, Ohio, and Wisconsin, there were 8.5

million egg-type eggs in incubators, up 25 percent from a year earlier. In the same region, there were 14.5 million broiler-type eggs in incubators, up 8 percent from the previous year. There were 23.5 million turkey poults hatched in the U.S. in June.

#### Egg and Hatchery Production, June 2014

Item	Unit	2013	2014	Percent Change
Michigan				
All layers	Thou	12,703	12,956	2
Eggs per hundred layers	Num	2,377	2,408	1
Eggs produced	Mil	302	312	3
East North Central Region				
Eggs in incubators, Jul 1				
Egg-type	Thou	6,823	8,523	25
Broiler type	Thou	13,405	14,463	8
U.S.				
All Layers	Thou	344,857	351,611	2
Eggs per hundred layers	Num	2,249	2,264	1
Eggs produced	Mil	7,757	7,961	3
Turkey Eggs in incubators, Jul 1	Thou	27,789	28,367	2
Turkey Poults hatched, Jun	Thou	21,412	23,470	10

# **July Agricultural Prices**

Prices received by Michigan farmers for the full month of June 2014 and mid-month prices as of July 15, 2014 are listed in the table below.

Some Michigan highlights were: July corn, at \$3.70 per bushel, is down \$0.69 from June and down \$2.95 from last

year; July soybeans, at \$12.60 per bushel, are down \$2.00 from last month and down \$2.40 from last year; July wheat, at \$6.20 per bushel, is down \$0.39 from June and down \$0.79 from last year; July milk, at \$23.60 per cwt., is up \$0.10 from last month, and up \$3.70 from last year.

### Prices Received by Farmers, July 2014

	Michigan			United States		
Commodity	Jul 2013 <sup>1</sup>	Jun 2014 <sup>1</sup>	Preliminary Jul 2014 <sup>2</sup>	Jul 2013 <sup>1</sup>	Jun 2014 <sup>1</sup>	Preliminary Jul 2014 <sup>2</sup>
Beans, dry edibledollars/cwt	44.70	48.30	(D)	40.60	35.90	36.30
Corndollars/bu	6.65	4.39	3.70	6.79	4.49	3.80
Hay, alfalfadollars/ton	175.00	165.00	150.00	209.00	222.00	216.00
Hay, otherdollars/ton	145.00	110.00	100.00	149.00	139.00	143.00
Oatsdollars/bu	(D)	3.54	(D)	3.88	3.72	3.54
Potatoes dollars/cwt		(D)	(S)	13.56	10.38	10.18
Soybeansdollars/bu	15.00	14.60	12.60	15.30	14.40	12.70
Wheat, winterdollars/bu	6.99	6.59	6.20	6.85	6.34	5.98
Milk, all dollars/cwt	19.90	23.50	23.60	19.10	23.20	23.40

<sup>&</sup>lt;sup>1</sup> Entire month weighted average price.

<sup>&</sup>lt;sup>2</sup> Mid-month price.

<sup>(</sup>D) Withheld to avoid disclosing data for individual operations.

<sup>(</sup>S) Insufficient number of reports to establish an estimate.

### **June Milk Production**

Dairy herds in Michigan produced 795 million pounds of milk during June, up 3.2 percent from June 2013. The daily rate per cow was 68.7 pounds. The dairy herd was estimated at 386,000 head for June. The average price of milk sold in June by Michigan dairy producers was \$23.30 per cwt., \$3.10 above the price in June 2013.

#### Michigan Dairy Summary, June 2014

Item		2012	2013	2014
Cows	1,000 Hd	375	$\binom{2}{3}$	386
Milk per cow	Lb/day	66.5	$\binom{2}{1}$	68.7
Production	Mil lbs	748	770	795
Milk price, all	Dol/cwt	16.40	20.20	23.30
Fat test	Pct	3.52	3.56	3.50
Protein <sup>1</sup>	Pct	3.01	3.01	3.02

<sup>&</sup>lt;sup>1</sup> FMO 33

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### Thank You to our Data Providers

The USDA, NASS, Great Lakes Region and enumerator staff are pleased to provide you and the Michigan agricultural industry with current, reliable information as summarized in the following articles. This service is possible because you and other respondents provided us with timely survey responses. Thank you!

<sup>&</sup>lt;sup>2</sup> Due to sequestration, only total milk production was published.